



**METROPOLITAN
TRANSPORTATION
COMMISSION**

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
Tel: 510.464.7700
TDD/TTY: 510.464.7769
Fax: 510.464.7848

Memorandum

TO: Partnership Board

DATE: August 1, 2005

FR: Local Street and Road Committee

RE: Regional LS&R Fund Allocation Formula Recommendation

The allocation model that the Local Street and Road Committee recommends be used for future regional street and road funding cycles (other than the 3rd Cycle of STP funding) consists of the following formula:

- 7% of the regional pot of funding to be taken “off the top” and allocated based upon performance
- The allocation of the remaining funds would be based equally on the factors of population, lane mileage, and arterial and collector shortfall (one third each)
- Performance would be scored on a 5-range scale that only awards points to those jurisdictions that have a preventive maintenance performance score above the 25th percentile. The performance score would then be multiplied by a weighting factor that consists of each jurisdiction’s total percent share of the other three factors—population, lane mileage, and arterial & collector shortfall.

Therefore, the regional pot of funding would be allocated: 31% on population, 31% on lane mileage, 31% on arterial & collector shortfall, and 7% on performance

Sample--Allocation Comparison of a Typical Funding Cycle:

County	Current LS&R Formula (MTS Shortfall)		Revised LS&R Formula*		Difference (Current vs proposed)	
	(% Share)	(\$ Amount)	(% Share)	(\$ Amount)	Difference (% Share)	Difference (\$ Amount)
Alameda	10.0%	\$5,700,000	16.7%	\$9,498,106	6.7%	\$3,798,106
Contra Costa	11.0%	\$6,270,000	13.8%	\$7,841,833	2.8%	\$1,571,833
Marin	6.0%	\$3,420,000	4.9%	\$2,784,718	-1.1%	(\$635,282)
Napa	6.0%	\$3,420,000	2.7%	\$1,530,244	-3.3%	(\$1,889,756)
San Francisco	9.0%	\$5,130,000	11.3%	\$6,452,813	2.3%	\$1,322,813
San Mateo	7.0%	\$3,990,000	8.9%	\$5,083,427	1.9%	\$1,093,427
Santa Clara	28.0%	\$15,960,000	23.6%	\$13,428,460	-4.4%	(\$2,531,540)
Solano	3.0%	\$1,710,000	8.1%	\$4,599,185	5.1%	\$2,889,185
Sonoma	20.0%	\$11,400,000	10.1%	\$5,781,215	-9.9%	(\$5,618,785)
Total	100.0%	\$57,000,000	100.0%	\$57,000,000	0.0%	\$0

***Notes:**

1. "Revised LS&R Formula" is based on 31% Population, 31% Lane Mileage, 31% Arterial & Collector Shortfall, & 7% Performance
2. Performance Measure = Preventive Maintenance--Actual annual expenditure on preventive maintenance vs. the Pavement Management System's "recommended" expenditure for each jurisdiction
3. Actual county shares under the "Revised LS&R Formula" may change pending further refinement of data affecting various factors contained in the formula; and upon results of new LS&R shortfall calculations.

Bay Area CMA Directors

July 11, 2005

Michael Scanlon
Chair, MTC Partnership Committee
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P.O. Box 3006
San Carlos CA 94070-1306

Dear Chairman ^{Mike} Scanlon:

The CMA Directors unanimously support the Local Street and Road Committee recommendation regarding the allocation of 3rd Cycle STP Programming and the Regional Local Street and Road Funding Allocation Formula for future regional funding.

Specifically the CMA Directors support the following:

Allocation of LS&R funds for the 3rd Cycle of STP Programming - The CMA Directors support the 50/50 hybrid model (50% MTS shortfall and 50% "new" formula) with the understanding that any other regional funding that becomes available for local streets and roads be allocated 100% based on the "new" formula.


Regional LS&R Fund Allocation Formula - The CMA Directors support the following allocation formula for use in future regional LS&R funding cycles (other than the 3rd Cycle of STP funding):

- 7% of the regional pot of funding to be taken "off the top" and allocated based upon performance.
- The allocation of the remaining funds would be based equally on the factors of population, lane mileage, and arterial and collector shortfall (one third each).
- Performance would be scored on a 5-range scale that only awards points to those jurisdictions that have a preventive maintenance performance score above the 25th percentile. The performance score would then be multiplied by a weighting factor that consists of each jurisdiction's total percent share of the other three factors—population, lane mileage, and arterial & collector shortfall.
- Therefore, the regional pot of funding would be allocated: 31% on population, 31% on lane mileage, 31% on arterial & collector shortfall, and 7% on performance.

Bay Area CMA Directors

Please share this recommendation with our colleagues on the Partnership Committee.
If I can provide any additional information, please call me at (707) 259-8634.

Sincerely,



Mike Zdon
Chair CMA Association

Cc: CMA Directors
Rick Moshier, MTC Local Streets & Roads Committee Chair
Therese Romell, MTC